Department of General Administration
Division of State Services

Surplus

2005-07 Business Plan

EXECUTIVE SUMMARY

Activity Description

The Department of General Administration manages the disposal of state surplus properties utilizing methods that are efficient and meet legal requirements concerning use of publicly-owned goods. The activity also represents the state with the federal government's surplus equipment program, and it receives and distributes federal food and operational funds to the state's food bank network in order to support local organizations that supply food to those in need. (General Fund-State, General Fund-Federal, General Administration Services Account-Nonappropriated)

Authorized by RCW 43.19.1919, Surplus Programs partners with public and private organizations to provide optimal and cost-cutting services to dispose of usable state-owned and federally owned surplus in a responsible and environmentally friendly manner. Surplus Programs is required to first offer state-owned surplus property to "priority customers"—state agencies, political subdivisions, and then non-profit organizations. Surplus items include vehicles, office equipment, computers, kitchen equipment, medical equipment and much more. Surplus Programs also manages the marketing, storage, and distribution of excess/surplus federal personal property to state agencies, political subdivisions, and eligible non-profit organizations. There are four major sections to this part of Surplus Programs: 1) a regular donation program; 2) fixed price section – purchase of good used Federal vehicles and equipment for qualified customers on a want-list system; 3) the Law Enforcement Support Operation (1033 Program) which is the transfer of military excess assets to state and local law enforcement agencies; and 4) the Washington State Counter Drug Procurement Program (1122 Program) that enables state and local law enforcement agencies to purchase new equipment suitable for counter-drug/terrorism activities through Federal procurement channels.

Surplus Property's has a biennial budget of $6,411,000 and 15.8 FTEs

Retrospective

Surplus Programs major goals during 2003-2005 were:
1. To reutilize state-owned surplus personal property to priority customers (state agencies, governmental entities, and private non-profits) without realizing a profit. They have first choice of all surplus property in the state.

2. To be the single point of contact in the State of Washington for the distribution of federal property for law enforcement.

3. To be a facilitator of relationships between the client agencies and suppliers

Surplus Programs has been very successful in accomplishing these goals and generating revenue. However, in the arena of its largest revenue source—vehicles—it is projecting a drop in revenues.

Its four biggest customers—GA's Motor Pool, DNR, DOT, and WSP will be retaining vehicles longer, due to cuts in the agencies' budgets. Increasing pressure on agency budgets will result in a less desirable inventory of goods. In addition, since there are no statutory requirements that state agencies use Surplus Programs to dispose of their property, this has led to less inventory being turned over (and less revenue generated for the state's general fund). Another example of the changing environment relates to disposition of surplus computers. Surplus Programs releases approximately $400,000 worth of computer equipment annually to the "Computers for Kids" program. While this supports a worthwhile program for K-12 public schools, it is an expense and revenue loss for Surplus Programs. These revenue impacts have forced Surplus Programs to evaluate its approaches.

Prospective

Surplus Programs in 2005-2007 is going to focus on its core services and core customers as well as sustainability. Surplus Programs is proposing to build on its core strengths of adaptability and being a customer-driven organization.

With these core strengths, Surplus Programs will:
1. Concentrate on core services: By concentrating on core services, Surplus Programs aims to reduce operating costs and provide better service to key customers.

2. Sustainability: Surplus Programs will develop sustainable and environmentally friendly strategies around the recycling and disposal of surplus materials. This includes ways in which to reduce use of landfills by Surplus Programs itself as well as educating other agencies in effective strategies.

3. Public/Private Partnerships: Surplus Programs will use public/private partnerships to enhance customer value. An example of this approach is the use of E-Bay to sell "exotic" or unique surplus property.

Sect II	05-07	07-09	09-11
Goal:	Utilize public/private partnerships to facilitate efficiency		
Objective:	Create new partnerships that reduce costs		
Strategies:	Increase the use of the internet and E-Bay to sell unique items		
Performance Measures:	Increase in revenue or reduction in costs		

Sect II	05-07	07-09	09-11
Goal:	Encourage sustainability and recycling	Encourage sustainability and recycling	
Objective:	Incorporate sustainability and environmentally friendly practices into reuse and disposal of surplus property	Improve business practices to protect and sustain environment	
Strategies:	Increase the use of recycling on site Reduce use of landfill Educate its customers in sustainable and environmentally friendly strategies around recycling and disposal	Recycle computer monitors and other "unfriendly" computer equipment and dispose of electronic waste through responsible vendor Market this service to customers	
Performance Measures:	Reduction in landfill costs Number of contacts	Number of tons recycled/disposed of. Number of new customers	

Definitions:

Mission: Statement: - describes the reason the line of business exists in general terms that captures it unique purpose & functions

Vision: - paints a picture of what business wants to be in the future

Goal – Broad, high-level, issue oriented statements of an organization's desired future direction

Strategies – Methods for achieving goals

Objectives – objectives break down goals into more specific pieces that describe measurable results achieved over a specific time

Performance Measures – measure whether objective has been achieved